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ATTORNEYS FOR THE STATE OF IDAHO

IN THE OFFICE OF THE IDAHO ATTORNEY GENERAL

**IN RE: ATTORNEY GENERAL
LAWRENCE G. WASDEN'S REVIEW
OF THE PROPOSED SALE OF:**

**ST. JOSEPH REGIONAL MEDICAL
CENTER, INC., an Idaho nonprofit
hospital,**

Respondent.

OAG FILE NO. 7866-218315

**SECOND INFORMATION AND
DOCUMENT REQUESTS TO
RESPONDENT**

(Idaho Code § 48-1507(2))

I.

INTRODUCTION

Attorney General Lawrence G. Wasden ("Attorney General"), on behalf of the state of Idaho, enforces the Idaho Nonprofit Hospital Sale or Conversion Act ("the Act"), title 48, chapter 15, Idaho Code. The Act requires the Attorney General to issue an opinion in which he consents to or opposes a proposed sale, transfer, lease, exchange, optioning, or conveyance of a nonprofit hospital to an entity other than a nonprofit. See Idaho Code § 48-1504(2).

Nonprofit hospitals hold assets in charitable trust, and the Attorney General is entrusted to protect charitable trust assets on behalf of the public. See Idaho Code §§ 48-1501(2); 67-1401(5). The Attorney General's review of a proposed transaction under the Act ensures that, based on the factors in Idaho Code § 48-1506, the nonprofit hospital's charitable trust assets are preserved and protected.

Before a nonprofit hospital may enter into a sale or conversion transaction, it must notify the Attorney General in writing and provide the Attorney General with information and documents related to factors provided in Idaho Code § 48-1506. See Idaho Code § 48-1503. The information and documents that are requested in these Information and Document Requests are necessary and relevant to the Attorney General's review. See Idaho Code § 48-1506(2). Accordingly, to facilitate a timely and cost-efficient review process, we ask St. Joseph Regional Medical Center, Inc., ("Respondent") to **provide the information and documents** identified in these Information and Document Requests **with its required Idaho Code § 48-1503 notice or shortly after providing its notice.**

If any information or documents are presently unavailable, please provide all available information and documents and produce any missing information or documents as the nonprofit hospital obtains them. Throughout his review, the Attorney General may request additional information and documents that he deems necessary and relevant to his review. See Idaho Code § 48-1507(2).

II.

INSTRUCTIONS

1. **Electronic Production.** Please produce all documents electronically via a CD or a thumb drive to one of the following addresses:

Regular Mail

Stephanie Guyon
Attorney General's Office
Consumer Protection Division
P.O. Box 83720
Boise, ID 83720-0010

Overnight Mail / Hand Delivery

Stephanie Guyon
Attorney General's Office
Consumer Protection Division
954 W. Jefferson, 2nd Fl.
Boise, ID 83702

2. **Bates Numbering.** Please identify each page of a produced document with a unique Bates number or source code and use that number or code (or range of numbers or codes) when referencing a produced document.

3. **Identify Responsive Documents.** Please identify each responsive document (by Bates numbers or source codes) for each Document Request. For example:

Document Request No.	Beginning Bates No.	Ending Bates No.
1	0000001	0000020
	0001050	0001053

4. **Confidential Documents.** Please designate as "CONFIDENTIAL" each page of any document that Respondent, based on an applicable statute or rule, believes in good faith is exempt from public disclosure under Idaho Code § 48-1509. If Respondent produces any documents that it designates as "CONFIDENTIAL," Respondent must provide a separate index that lists:

- The Bates number(s) or source code(s) of the designated CONFIDENTIAL document;
- A brief description (e.g., policy, letter, etc.) of the designated CONFIDENTIAL document; and
- The legal basis, including the statute or rule, for designating the document CONFIDENTIAL.

These Information and Document Requests incorporate by reference the following executed agreements:

- Confidentiality Agreement (11.14.16)

b. Supplemental Agreement (11.22.16)

5. **Consultation with Attorney General.** To avoid unnecessary burdens on Respondent, after Respondent thoroughly reviews these Information and Document Requests and determines what information and documentary material is available to Respondent, Respondent may contact deputy attorney general Stephanie Guyon at (208) 334-4135 or email her at stephanie.guyon@ag.idaho.gov.

III.

DEFINITIONS

Unless otherwise defined in a specific request, the terms used in these Information and Document Requests have the following meanings:

1. **“Acquiring entity”** means “St. Joseph Hospital, LLC,” a subsidiary of “RCCH HealthCare Partners,” which entered into an agreement to acquire “St. Joseph RMC.”
2. **“Ascension Health”** means Ascension Health, Inc., the sole member of “St. Joseph RMC.”
3. **“Attorney General”** and **“Attorney General’s Office”** mean Idaho Attorney General Lawrence G. Wasden.
4. **“Ascension Health’s Board”** means “Ascension Health’s” board of directors and its individual members.
5. **“Carondelet Health Systems”** means Carondelet Health Systems, Inc., of St. Louis as it existed between January 1, 1993, and December 31, 2001, and in its capacity as the sole sponsor of “St. Joseph RMC.”
6. **“Charitable trust assets”** means real and personal property, tangible and intangible, in which Respondent has a legal or equitable interest, in whole or in part.

7. **“Contribution(s)”** means the grant, promise or pledge of money, credit, property, financial assistance, or any other thing of value in response to a “charitable solicitation.”

8. **“Charitable solicitation(s)”** means any oral or written request, directly or indirectly, for money, credit, property, financial assistance or other thing of value on the plea or representation that such money, credit, property, financial assistance or other thing of value or any portion thereof, will be used for a charitable purpose that benefits “St. Joseph RMC.”

9. **“Documentary material(s)”** means the original or a copy of any document, book, record, report, memorandum, paper, communication, tabulation, map, chart, photograph, audio and/or visual recording, mechanical, photographic, or electronic transcription, or other tangible document or recording.

10. **“Fair market value”** means the price at which a business or business interest would change hands between a willing buyer and a willing seller, neither being under compulsion to buy or sell and both having reasonable knowledge of all relevant facts as of the applicable valuation date.

11. **“Proposed acquisition”** means the proposed sale of all or substantially all of “St. Joseph RMC’s” assets to “RCCH HealthCare Partners.”

12. **“Potential acquiring entity”** means any person who submitted to the Parties a solicited or unsolicited proposal regarding the “proposed acquisition.”

13. **“RCCH HealthCare Partners”** means RegionalCare Hospital Holdings, Inc., doing business as RCCH HealthCare Partners.

14. **“Respondent”** means “St. Joseph RMC.”

15. **“Respondent’s Board”** means “St. Joseph RMC’s” board of directors and its individual members.

16. **“Sisters of St. Joseph of Idaho”** means the organization and corporation that established and, between 1902 and 1993 operated St. Joseph’s Hospital, subsequently renamed “St. Joseph RMC.”

17. **“St. Joseph RMC”** means St. Joseph Regional Medical Center, Inc., an Idaho nonprofit corporation, regardless of other names under which the nonprofit corporation operated.

IV.

DOCUMENTS AND INFORMATION REQUESTED

27. Explain in detail the terms of the transaction that resulted in the transfer of St. Joseph RMC from Carondelet Health System to Ascension Health. In the explanation, please include answers to the following questions:

- a. At the time of the transaction, what were the legal names and corporate addresses of the parties to the transaction?
- b. Is Carondelet Health System a current subsidiary of Ascension Health? If the answer is no, please identify the current parent corporation of Carondelet Health System and the date on which Ascension Health ceased its relationship with Carondelet Health System.
- c. On what date did the transaction between Carondelet Health System and Ascension Health close?
- d. Was the transaction characterized as a sale, an asset transfer, a merger, or another type of transaction? Please be as specific as possible.
- e. What consideration, if any, did the parties provide to one another?

28. In or about 1902, the Sisters of St. Joseph of Idaho opened a hospital in Lewiston in a seven-room house located at 325 Snake River Avenue. The following questions concern that property:

- a. How did the Sisters of St. Joseph of Idaho come into possession of the property? Did they purchase it? Was it a gift? Did they lease it from someone?

- b. From whom did the Sisters of St. Joseph of Idaho purchase, receive, or lease the property?
- c. On what date did the Sisters of St. Joseph of Idaho purchase, receive, or begin leasing the property?
- d. If St. Joseph RMC or Ascension Health has custody received a legal or equitable interest in the property, please produce a copy of the deed.
- e. If the Sisters of St. Joseph of Idaho (or a subsequent entity) sold or transferred the property to another owner, please identify the date on which the property was sold or transferred.
- f. If the property remains in SJRMC's possession today, identify the purpose for which SJRMC presently uses the property.

29. In or about 1903, the Sisters of St. Joseph of Idaho expanded the hospital in Lewiston to a 50-bed facility located at the corner of Fifth Avenue and Sixth Street. The following questions concern that property:

- a. How did the Sisters of St. Joseph of Idaho come into possession of the property? Did they purchase it? Was it a gift? Did they lease it from someone?
- b. From whom did the Sisters of St. Joseph of Idaho purchase, receive, or lease the property?
- c. On what date did the Sisters of St. Joseph of Idaho purchase, receive, or begin leasing the property?
- d. If St. Joseph RMC or Ascension Health has custody or control of a deed evidencing that the Sisters of St. Joseph of Idaho received a legal or equitable interest in the property, please produce a copy of the deed.
- e. If the Sisters of St. Joseph of Idaho (or a subsequent entity) sold or transferred the property to another owner, please identify the date on which the property was sold or transferred.
- f. If the property remains in SJRMC's possession today, identify the purpose for which SJRMC presently uses the property.

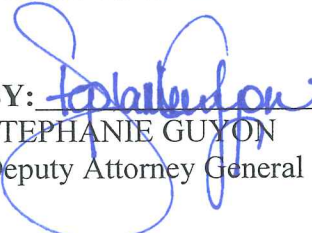
30. Other than the property described in Request Nos. 28 and 29, identify the physical address of each parcel of property that the Sisters of St. Joseph of Idaho received, purchased, or

leased from the City of Lewiston for purposes related to healthcare. For each address identified, please:

- a. Identify the date on which the Sisters of St. Joseph of Idaho received, purchased, or began leasing the property from the City of Lewiston.
- b. If the Sisters of St. Joseph of Idaho purchased the property, identify the amount of consideration the Sisters of St. Joseph of Idaho paid to the City of Lewiston.
- c. If the Sisters of St. Joseph of Idaho leased the property, identify the amount the Sisters of St. Joseph of Idaho paid to the City of Lewiston each month for the lease payment.
- d. Provide a description of the purpose for which the Sisters of St. Joseph of Idaho used the property.
- e. If the Sisters of St. Joseph of Idaho (or a subsequent entity) sold or transferred the property to another owner, please identify the date on which the property was sold or transferred.
- f. If the property remains in SJRMC's possession today, identify the purpose for which SJRMC presently uses the property.

DATED this 23rd day of November 2016

**LAWRENCE G. WASDEN
ATTORNEY GENERAL
STATE OF IDAHO**

BY: 
STEPHANIE GUYON
Deputy Attorney General